



**VILLAGE OF SAUK VILLAGE
COOK AND WILL COUNTIES, ILLINOIS**

**ORDINANCE
NUMBER: 18 - 007**

ORDINANCE AUTHORIZING THE ISSUANCE OF THEN NOT TO EXCEED \$550,000 GENERAL FUND PURPOSES TAX ANTICIPATION WARRANTS IN ANTICIPATION OF THE COLLECTION OF TAXES LEVIED FOR THE YEAR 2017/2018 AND PAYABLE IN THE YEAR 2018/2019, BY THE VILLAGE BOARD OF THE VILLAGE OF SAUK VILLAGE, COOK AND WILL COUNTIES, ILLINOIS, FOR GENERAL FUND PURPOSES.

**DERRICK N. BURGESS, MAYOR
MARVA CAMPBELL-PRUITT, Clerk**

**BERNICE BREWER
RODRICK R. GRANT
KELVIN JONES
CECIAL TATES
LINDA L. TODD
BETH ZUPON**

TRUSTEES

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OF SAUK VILLAGE, COOK AND WILL COUNTIES, ILLINOIS, FOR GENERAL FUND
PURPOSES.**

* * *

WHEREAS, there is no money in the treasury of the Village of Sauk Village, Cook and Will Counties, Illinois (the "*Village*"), to defray the necessary expenses of the Village; and

WHEREAS, the Village Board (the "*Board*") of the Village deems it advisable, necessary and for the best interests of the Village that funds be provided to meet the necessary expenses of the Village and for that purpose, warrants be issued and drawn against and in anticipation of the collection of the taxes heretofore levied for general fund purposes by the Village for the year 2017/2018; and

WHEREAS, the Illinois Municipal Code and the Local Government Debt Reform Act of the State of Illinois, each as supplemented and amended, authorize the Board to issue such warrants up to the extent of 85% of the total amount of the taxes so levied for said purpose, less actual collections thereof; and

WHEREAS, the Village has not previously issued any warrants or other obligations in anticipation of the collection of taxes heretofore levied for the year 2017/2018 for general fund purposes; and

WHEREAS, in order to enhance the sale of the warrants authorized hereby, it is necessary and in the best interests of the Village for the Village to enter into a Tax Escrow Agreement with Amalgamated Bank of Chicago, Chicago, Illinois (the "*Tax Escrow Agent*"), under the terms of which the County Collectors of The Counties of Cook and Will, Illinois (the "*County Collectors*"), will be directed to deposit proceeds of the taxes heretofore levied for general fund purposes by the Village for the year 2017/2018 directly into a designated escrow account:

NOW, THEREFORE, Be It Ordained by the Mayor and Board of Trustees of the Village of Sauk Village, Cook and Will Counties, Illinois, as follows:

Section 1. Definitions. For all purposes of this Ordinance, except as otherwise expressly provided or unless the context otherwise requires, the terms defined in this

Section shall have the meanings set forth below, and shall include the plural as well as the singular.

“*Act*” shall mean the Illinois Municipal Code, as amended, and the Local Government Debt Reform Act of the State of Illinois, as amended.

“*Board*” shall mean the Village Board of the Village.

“*County Collectors*” shall mean the County Collectors of The Counties of Cook and Will, Illinois.

“*Designated Representatives*” shall mean the Mayor and the Treasurer of the Village.

“*Ordinance*” shall mean this Ordinance as adopted by the Board.

“*Purchaser*” shall mean the purchaser set forth in the Warrant Notification.

“*Tax Escrow Agent*” shall mean Amalgamated Bank of Chicago, Chicago, Illinois, or a duly designated successor thereto.

“*Tax Escrow Agreement*” shall mean the Tax Escrow Agreement, dated the date of the issuance of the first series of the Warrants, between the Village and the Tax Escrow Agent.

“*Treasurer*” shall mean the Treasurer who receives the taxes of the Village.

“*Village*” shall mean the Village of Sauk Village, Cook and Will Counties, Illinois.

“*Warrant Notification*” shall have the meaning set forth in Section 9 of this Ordinance.

“*Warrant Register*” shall mean the books of the Village kept by the Warrant Registrar to evidence the registration and transfer of the Warrants.

“*Warrant Registrar*” shall mean the entity set forth in the Warrant Notification or a duly designated successor thereto.

“*Warrants*” shall mean the tax anticipation warrants of the Village authorized to be issued under this Ordinance.

Section 2. Authorization. Tax anticipation warrants of the Village are hereby authorized to be issued, sold and delivered, in one or more series, pursuant to the provisions of the Act, to defray the necessary expenses of the Village incurred for general fund purposes and drawn against and in anticipation of the collection of the taxes heretofore levied for year 2017/2018 for such purposes. The Warrants shall be issued in one or more series and in the amount set forth in each Warrant Notification (not to exceed the total aggregate amount of \$550,000), shall each be designated “General Purposes

Tax Anticipation Warrant”; shall be dated the date of their delivery, shall also bear the date of authentication; and shall become due (subject to option of redemption prior to maturity as hereinafter set forth) on the date or dates set forth in the Warrant Notification. The Warrants shall be issued in fully registered form and shall be in denominations of \$5,000 each or authorized integral multiples registration. Each Warrant, upon initial issuance, shall be assigned an order-of-issuance number, from 01-1 and upwards, with the first \$5,000 portion of a Warrant and each \$5,000 portion in excess thereof bearing an assigned order-of-issuance number. In addition, each Warrant upon initial issuance or upon transfer or exchange shall bear a registration number for each such Warrant authenticated. The Warrants shall bear interest at a rate per annum not to exceed 3.75%, and shall be issued from time to time as set forth in each Warrant Notification.

The Warrants shall be in substantially the form attached hereto as *Exhibit A*.

Section 3. Interest; Payment Provisions. Each Warrant shall bear interest, payable only out of the taxes against which such Warrant is drawn, at the rate aforesaid (computed upon the basis of a 360-day year of twelve 30-day months) from the date thereof until paid. The principal of and interest on the Warrants shall be payable upon presentation in lawful money of the United States of America at the principal corporate trust office of the Warrant Registrar in Chicago, Illinois. The principal of the Warrants issued for the purpose set forth above is payable as set forth in the Warrant Notification and solely from the tax against which the Warrants are issued and shall be received by any collector of taxes in payment of the tax against which they are issued and payable as set forth in the Warrant Notification.

Section 4. Security. The principal and interest on the Warrants shall be payable from the collection of the taxes levied for general fund purposes for the year 2017/2018 and payable in the year 2018/2019. Such taxes so levied are hereby assigned and pledged to the payment of the applicable Warrants so issued in anticipation of such taxes; and such taxes, when collected, shall be set apart and held for the payment of the corresponding Warrants. The total principal amount of the Warrants issued for the payment of expenses for general fund purposes for the year 2017/2018 shall not exceed eighty-five percent (85%) of the tax levied for said purposes for the year 2017/2018; and that the total amount of state aid anticipation certificates, general obligation notes and tax anticipation warrants of any kind of the Village, issued under any of the laws of the State of Illinois applicable thereto, including the Act, outstanding for the fiscal year in which the Warrants are issued does not exceed 85% of the taxes levied for the year 2017/2018.

Section 5. Registrar and Paying Agent. (a) *General.* Amalgamated Bank of Chicago, Chicago, Illinois, or such other entity as may be provided in the Warrant Notification (the “Registrar” or “Paying Agent”) is hereby appointed to serve as registrar and paying agent for the Warrants. The Registrar is hereby charged with the responsibility of authenticating the Warrants. The Mayor and the Village Treasurer are hereby authorized to enter into such agreements or understandings with the Registrar as will enable the institution to perform the services required of a registrar and paying agent. The Mayor and the Village Treasurer are further authorized to pay such fees as the Registrar may charge for the services it provides as Registrar and Paying Agent, and

such fees may be paid from the fund established to pay the principal of and interest on the Warrants.

Each Warrant shall be transferable or exchangeable only upon the books of the Village kept for that purpose at the principal corporate trust office of the Registrar by the registered owner in person, or by its attorney duly authorized in writing, upon surrender of such Warrant together with a written instrument of transfer or exchange satisfactory to the Registrar duly executed by the registered owner, or its attorney duly authorized in writing, and thereupon a new fully registered bond or bonds in an authorized aggregate principal amount and of the same maturity, shall be executed and delivered in the name of the transferee or transferees or the registered owner, as the case may be, in exchange therefor. The Registrar shall not be required to transfer or exchange any Warrant during the period beginning at the close of business on the fifteenth (15th) day next preceding an interest payment date on such Warrant and ending on such interest payment date, or after notice calling such Warrant for redemption has been mailed, or during the fifteen (15) day period next preceding mailing of notice of redemption of any Warrants. The costs of such transfer or exchange shall be borne by the Village except for any tax or governmental charge required to be paid with respect to the transfer or exchange, which taxes or governmental charges are payable by the person requesting such transfer or exchange. The Village, Registrar and Paying Agent for the Warrants may treat and consider the person in whose name such Warrants are registered as the absolute owner thereof for all purposes, including for the purpose of receiving payment of, or on account of, the principal thereof and interest due thereon.

The Registrar and Paying Agent may at any time resign as registrar and paying agent upon giving 30 days' notice in writing to the Village and by first class mail to each registered owner of the Warrants then outstanding, and such resignation will take effect at the end of such 30-day period or upon the earlier appointment of a successor registrar and paying agent by the Village. Any such notice to the Village may be served personally or sent by registered mail. The Registrar and Paying Agent may be removed at any time as registrar and paying agent by the Village, in which event the Village may appoint a successor registrar and paying agent for the Warrants. The Village shall notify each registered owner of the Warrants then outstanding by first class mail of the removal of the registrar and paying agent. Notices to the registered owners of the Warrants shall be deemed to be given when mailed by first class mail to the addresses of such registered owners as they appear on the registration books kept by the Registrar.

Upon the appointment of any successor registrar and paying agent by the Village, the Mayor and the Village Treasurer are authorized and directed to enter into such agreements and understandings with such successor registrar and paying agent as will enable the institution to perform the services required of a registrar and paying agent for the Warrants. The Mayor and the Village Treasurer are further authorized to pay such fees as the successor registrar and paying agent may charge for the services it provides as registrar and paying agent and such fees may be paid from the fund established to pay the principal and interest on the Warrants as fiscal agency charges.

Any predecessor registrar and paying agent shall deliver all of the Warrants and any cash or investments in its possession with respect thereto, together with the registration books, to the successor registrar and paying agent.

(b) Book Entry System. Unless otherwise set forth in the Warrant Notification, the Warrants will be held by a central depository system pursuant to an agreement between the Village and The Depository Trust Company, New York, New York (“DTC”) and have transfers of the Warrants effected by book-entry on the books of the central depository system (“Book Entry System”). The Warrants shall be initially issued in the form of a separate single authenticated fully registered Warrant for the aggregate principal amount of each separate maturity of the Warrants. Upon initial issuance, the ownership of such Warrants shall be registered in the register kept by the Registrar in the name of CEDE & CO., as nominee of DTC.

With respect to the Warrants registered in the register kept by the Registrar in the name of CEDE & CO., as nominee of DTC, the Village and the Paying Agent shall have no responsibility or obligation to any other holders or owners (including any beneficial owner (“Beneficial Owner”)) of the Warrants with respect to (i) the accuracy of the records of DTC, CEDE & CO., or any Beneficial Owner with respect to ownership questions, (ii) the delivery to any warrant holder (including any Beneficial Owner) or any other person, other than DTC, of any notice with respect to the Warrants, including any notice of redemption, or (iii) the payment to any warrant holder (including any Beneficial Owner) or any other person, other than DTC, of any amount with respect to the principal of, premium, if any, or interest on the Warrants except as otherwise provided herein.

So long as the Warrants are registered in the name of CEDE & CO., as nominee of DTC, no person other than DTC shall receive an authenticated Warrant evidencing an obligation of the Village to make payments of the principal of, premium, if any, and interest on the Warrants pursuant to this Ordinance. The Village and the Registrar and Paying Agent may treat as and deem DTC or CEDE & CO. to be the absolute warrant holder of each of the Warrants for the purpose of (i) payment of the principal of, premium, if any, and interest on such Warrants; (ii) giving notices of redemption and other notices permitted to be given to warrant holders with respect to such Warrants; (iii) registering transfers with respect to such Warrants; (iv) obtaining any consent or other action required or permitted to be taken of or by warrant holders; (v) voting; and (vi) for all other purposes whatsoever. The Paying Agent shall pay all principal of, premium, if any, and interest on the Warrants only to or upon the order of DTC, and all such payments shall be valid and effective fully to satisfy and discharge the Village’s and the Paying Agent’s obligations with respect to principal of, premium, if any, and interest on the Warrants to the extent of the sum or sums so paid. Upon delivery by DTC to the Village of written notice to the effect that DTC has determined to substitute a new nominee in place of CEDE & CO., and subject to the provisions herein with respect to consents, the words “CEDE & CO.” in this Ordinance shall refer to such new nominee of DTC. Notwithstanding any other provision hereof to the contrary, so long as any Warrant is registered in the name of CEDE & CO., as nominee of DTC, all payments with respect to the principal of, premium, if any, and interest on such Warrants and all notices with respect to such Warrants shall

be made and given, respectively, to DTC as provided in a representation letter from the Village to DTC (the "Blanket Issuer Letter of Representations").

Upon receipt by the Village of written notice from DTC to the effect that DTC is unable or unwilling to discharge its responsibilities and no substitute depository willing to undertake the functions of DTC hereunder can be found which is willing and able to undertake such functions upon reasonable and customary terms, then the Warrants shall no longer be restricted to being registered in the register of the Village kept by the Registrar in the name of CEDE & CO., as nominee of DTC, but may be registered in whatever name or names the warrant holders transferring or exchanging the Warrants shall designate, in accordance with the provisions of this Ordinance.

If the Village determines that it is in the best interest of the warrant holders that they be able to obtain certificates for the fully registered Warrants, the Village may notify DTC and the Registrar, whereupon DTC will notify the Beneficial Owners of the availability through DTC of certificates for the Warrants. In such event, the Registrar shall prepare, authenticate, transfer and exchange certificates for the Warrants as requested by DTC and any Beneficial Owners in appropriate amounts, and whenever DTC requests the Village and the Registrar to do so, the Registrar and the Village will cooperate with DTC by taking appropriate action after reasonable notice to (i) make available one or more separate certificates evidencing the fully registered Warrants of any Beneficial Owner's DTC account or (ii) arrange for another securities depository to maintain custody of certificates for and evidencing the Warrants.

If the Warrants shall no longer be restricted to being registered in the name of DTC, the Registrar shall cause said Warrants to be printed in blank in such number as the Registrar shall determine to be necessary or customary; provided, however, that the Registrar shall not be required to have such Warrants printed until it shall have received from the Village indemnification for all costs and expenses associated with such printing.

Section 6. Redemption. The Warrants shall be subject to redemption prior to maturity (a) at the option of the Village or (b) as set forth in the Tax Escrow Agreement as a whole or in part, on any date, at a redemption price of par plus accrued interest to the redemption date.

Section 7. Redemption Procedure. The redemption procedures set forth in this Section 7 shall apply only if the Village exercises its option to redeem Warrants pursuant to Section 6(a) above. In such event, the Village shall, at least five (5) days prior to the redemption date (unless a shorter time period shall be satisfactory to the Warrant Registrar) notify the Warrant Registrar of such redemption date. Then, unless waived by any holder of Warrants to be redeemed, notice of the call for any such redemption shall be given by the Warrant Registrar on behalf of the Village by mailing the redemption notice by first class mail or by emailing or faxing the redemption notice at least five (5) days prior to the date fixed for redemption to the registered owner of the Warrant or Warrants to be redeemed at the address shown on the Warrant Register or at such other address as is furnished in writing by such registered owner to the Warrant Registrar.

Section 8. Execution. The Warrants shall be executed on behalf of the Village by the Mayor and the Village Clerk and shall be registered, numbered, and countersigned by the Treasurer. In case any officer whose signature shall appear on any Warrant shall cease to be such officer before the delivery of such Warrant, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery.

All Warrants shall have thereon a certificate of authentication duly executed by the Warrant Registrar as authenticating agent of the Village and showing the date of authentication. No Warrant shall be valid or obligatory for any purpose or be entitled to any security or benefit under this Ordinance unless and until such certificate of authentication shall have been duly executed by the Warrant Registrar by manual or facsimile signature, and such certificate of authentication upon any such Warrant shall be conclusive evidence that such Warrant has been authenticated and delivered under this Ordinance. The certificate of authentication on any Warrant shall be deemed to have been executed by the Warrant Registrar if signed by an authorized officer of the Warrant Registrar, but it shall not be necessary that the same officer sign the certificate of authentication on all of the Warrants issued hereunder.

Section 9. Registration of Warrants; Persons Treated as Owners. The Village shall cause the Warrant Register to be kept at the principal corporate trust office of the Warrant Registrar. The Village is authorized to prepare, and the Village or the Warrant Registrar shall keep custody of, multiple Warrant blanks for use in the transfer and exchange of Warrants.

Upon surrender for transfer or exchange of any Warrant at the principal corporate trust office of the Warrant Registrar duly endorsed by, or accompanied by a written instrument or instruments of transfer or exchange in form satisfactory to the Warrant Registrar and duly executed by, the registered owner or an attorney for such owner duly authorized in writing, the Village shall execute, date and deliver in the name of the transferee or transferees or, in the case of an exchange, the named registered owner, a new fully registered Warrant or Warrants of the same tenor, bearing the same rate of interest, of authorized denominations, in the same aggregate principal amount, and having assigned to such warrant or warrants the same order of issuance numbers (the "R-1," and so on, numbers), one for each \$5,000 portion, assigned as requested by the registered owner or, if no request is made, by the Warrant Registrar, and subject only that Warrants of the denomination greater than \$5,000 must bear consecutive order of issuance numbers. A new registration number shall be assigned to each such Warrant.

The execution by the Village of any fully registered Warrant shall constitute full and due authorization of such Warrant; and the Warrant Registrar shall thereby be authorized to date and deliver such Warrant; provided, however, the principal amount of outstanding Warrants delivered by the Warrant Registrar shall not exceed the then authorized and sold principal amount of Warrants less Warrants previously paid.

The person in whose name any Warrant shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of the principal of

or interest on any Warrant shall be made only to or upon the order of the registered owner thereof or a legal representative of such owner. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Warrant to the extent of the sum or sums so paid.

No service charge shall be made for any transfer or exchange of Warrants, but the Village or the Warrant Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Warrants except in the case of the issuance of a Warrant or Warrants for the unredeemed portion of a Warrant surrendered for redemption.

The Warrant Registrar shall not be required to transfer or exchange any Warrant during the period beginning at the close of business at least 15 days prior to maturity and ending on the maturity date of the Warrant.

Section 10. Sale of Warrants. The Designated Representatives are hereby authorized to proceed to sell the Warrants in one or more series upon the terms as prescribed in this Ordinance. The Warrants shall be executed by the officials of the Village, as hereinabove provided, as soon after the Designated Representatives determine to issue a series of the Warrants as provided above, and shall be deposited with the Treasurer and, after due authentication by the Warrant Registrar, shall be delivered by the Treasurer to the Purchaser upon receipt of the purchase price for the Warrants, being not less than the par value thereof plus accrued interest, if any, to date of delivery, it being hereby found and determined that the sale of the Warrants to the Purchaser is in the best interests of the Village and that no person holding any office of the Village, either by election or appointment, is in any manner interested, directly or indirectly, in his own name or in the name of any other person, association, trust or corporation, in the sale of the Warrants to the Purchaser.

Upon the sale of each series of the Warrants, the Designated Representatives shall prepare a Notification of Sale of the Warrants, which shall include the pertinent details of sale as provided herein (the "Warrant Notification"). In each Warrant Notification, the Designated Representatives shall find and determine that the Warrants have been sold at such price and bear interest at such rate that neither the true interest cost (yield) nor the net interest rate received upon the sale of the Warrants exceed the maximum rate otherwise authorized by Illinois law. Each Warrant Notification shall be entered into the records of the Village and made available to the Board at the next regular meeting thereof; but such action shall be for information purposes only, and the Board shall have no right or authority at such time to approve or reject such sale as evidenced in the Warrant Notification.

Upon the sale of each series of the Warrants, as evidenced by the execution and delivery of a Warrant Notification by the Designated Representatives, the Mayor of the Board and the Village Clerk and Treasurer and any other officers of the Village, as shall be appropriate, shall be and are hereby authorized and directed to approve or execute, or both, such documents of sale of the Warrants as may be necessary, including, without limitation, the contract for the sale of the Warrants between the Village and the Purchaser

(the "Purchase Contract"). Prior to the execution and delivery of the Purchase Contract, the Designated Representatives shall find and determine that no person holding any office of the Village either by election or appointment, is in any manner interested, directly or indirectly, in his or her own name or in the name of any other person, association, trust or corporation, in the Purchase Contract.

The use by the Purchaser of any Preliminary Placement Memorandum and any final Placement Memorandum relating to the Warrants (the "Placement Memorandum") is hereby ratified, approved and authorized; the execution and delivery of the Placement Memorandum is hereby authorized; and the officers of the Board are hereby authorized to take any action as may be required on the part of the Village to consummate the transactions contemplated by the Purchase Contract, this Ordinance, said Preliminary Placement Memorandum, the Placement Memorandum and the Warrants.

Section 11. Use of Proceeds; Property Tax Extension Limitation Law. The proceeds of the Warrants shall be used to provide funds for the payment of necessary expenses incurred for general fund purposes, and it is hereby certified that the Warrants constitute the only series of warrants or notes issued to provide funds for the payment of necessary expenses for such purposes for the year 2017/2018 by the Village pursuant to the provisions of the Act.

The Village acknowledges that it is subject to the requirements of the Property Tax Extension Limitation Law of the State of Illinois, as amended (the "Tax Limitation Law"). If the County Clerks of the Counties of Cook and Will, Illinois, are required to reduce the Village's aggregate extension (as defined in the Tax Limitation Law) for the year 2017/2018 in accordance with the Tax Limitation Law, the Village agrees that, in accordance with the Tax Limitation Law, it will direct said County Clerks to not reduce the 2017/2018 extension for the general funds below the amount necessary to pay the principal of and interest on the Warrants.

Section 12. Covenants. The Village covenants that the amount of the Warrants plus available amounts in the Village's working cash fund will not exceed the maximum cumulative cash flow deficit in the general fund for the term during which the Warrants will be outstanding plus an average maintained reserve. During the period the subject warrants are outstanding, no additional tax anticipation warrants may be issued by the Village without the consent of the Purchaser.

Section 13. Further Acts. All acts and doings of the officials of the Village which are in conformity with the purposes and intent of this Ordinance are hereby in all respects ratified, approved, and confirmed.

Section 14. Severability. The provisions of this Ordinance are hereby declared to be severable; and if any section, phrase, or provision shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases, or provisions.

Section 15. Repealer. All ordinances, orders, or parts thereof in conflict with the provisions of this Ordinance are, to the extent of such conflict, hereby repealed. *Section 16. Effective Date.* This Ordinance shall be in full force and effect immediately upon its passage.

This Ordinance shall be in full force and effect from and after the date of its passage, approval and publication in pamphlet form as provided by law.

ADOPTED, this 13th day of March 2018, pursuant to a roll call vote as follows:

	YES	NO	ABSTAIN	ABSENT	PRESENT
BREWER		x			
GRANT	X				
JONES	X				
TATES	X				
TODD		x			
ZUPON	X				
Burgess					
TOTAL	4				

APPROVED by the Mayor (President) of the Village of Sauk Village, Counties of Cook and Will, Illinois on this 13th day of March 2018.

Derrick N. Burgess, Mayor

ATTEST:

Marva Campbell-Pruitt, Village Clerk

